

4/10/2024

Australian Accounting Standards Board  
Collins St West  
VIC 8007  
Australia

Via email to: [standard@asb.gov.au](mailto:standard@asb.gov.au)

**AustralianSuper submission to the Exposure Draft 331: Climate-related and Other Uncertainties in the Financial Statements – Illustrative Examples Consultation**

AustralianSuper welcomes the opportunity to provide high-level feedback on the illustrative examples included in the AASB's Exposure Draft 331 *Climate-related and Other Uncertainties in the Financial Statements*.

We believe that transparent, credible, and comparable climate-related financial disclosures within Australian financial statements will support investment decision making and are a welcome development.

AustralianSuper is Australia's largest superannuation fund<sup>1</sup> and is run only to benefit members. Over 3.4 million Australians are members of AustralianSuper with over \$341bn in member assets under management at 30 June 2024. AustralianSuper supports standardised, internationally aligned requirements for disclosure of sustainability-related matters, where they materially impact an entity's financial performance and position. High-quality disclosures outlining the effect of climate-related risks and opportunities on the financial statements will enable users to make better informed decisions.

Climate change is one of the most significant investment issues today. It will impact economies, industries, societies and the environment. As such, climate change presents risks and opportunities for investments in our portfolio. We aim to manage the risks and opportunities of climate change that we believe are likely to impact members' investment returns. This is consistent with our purpose of helping members achieve their best financial position in retirement.

AustralianSuper will be both a preparer and user of climate-related financial disclosures. For asset owners like AustralianSuper, our portfolio disclosures are aggregated from underlying portfolio company disclosures. Therefore, the quality, comparability and usefulness of disclosures will be reliant on the availability, standardisation and quality of the financial information reported by listed and unlisted companies across our global portfolio. We therefore welcome the proposal to provide illustrative examples of appropriate climate-related financial disclosure in ED331.

However, we also request the inclusion of an example for an asset owner. This would help Australian Superannuation Funds with the practical application of ED331.

We would be pleased to provide additional information or to discuss this submission in further detail. If that would be of assistance, please contact Greg Pozza, Manager ESG Regulatory Disclosure & Reporting ([GPozza@australiansuper.com](mailto:GPozza@australiansuper.com)).

Yours faithfully,



**Matt Harrington**  
Chief Financial Officer – AustralianSuper

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<sup>1</sup> APRA Quarterly superannuation fund level statistics, June 2024. Released 2 October 2024

## Key points of feedback

- **Materiality of disclosures and relevance to primary users.** AustralianSuper supports alignment of Australia's accounting standards with international actions to improve the reporting of the effects of climate-related risks in the financial statements. We acknowledge that this a critical step alongside the introduction of the ISSB and ASRS. However, given the significant program of work undertaken by the AASB to develop AASB 1056 *Superannuation Entities* and the unique structure of the Australian superannuation industry, we encourage the AASB to provide examples of likely areas of material disclosure with respect to superannuation entity financial statements aligned with the measurement principles included in AASB 1056. This would take into account the information needs of users of the general purpose financial statements of superannuation entities as defined in AASB 1056.
- **Additional guidance for asset owners:** We reiterate our request made in previous consultations<sup>2</sup> for customised sector guidance and illustrative examples for asset owners. While the eight proposed illustrative examples included in the IFRS exposure draft are useful for companies operating in single or multiple sectors, we note that none are appropriate for asset owners with investments across all economic sectors. As an example, when undertaking impairment analysis, the carrying values of our assets at balance date incorporate numerous data points impacted by climate change and the estimation of values in absence of this data would require undue cost and effort for little useful financial information. Due to the unique nature of pension and superannuation funds, who are both preparers and users of climate disclosures, and heavily reliance on external entities for climate-related information and data, it is important that industry-specific disclosure examples are developed for asset owners. We would welcome involvement in this process.

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<sup>2</sup> <https://www.australiansuper.com/about-us/advocacy>